

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 2004-239

June 11, 2004

BANGOR HYDRO-ELECTRIC COMPANY
Petition to Resolve Dispute With
Sprague Energy Corp. Pursuant to Section
7 of the Guaranty Agreement

ORDER

On April 8, 2004, Bangor Hydro-Electric Company (BHE) filed a petition with the Commission requesting that the Commission adjudicate a dispute between BHE and Sprague Energy Corp. (Sprague). The dispute arises from BHE's performance pursuant to a Guaranty Agreement, dated April 30, 2002, a guarantee granted by BHE in favor of Sprague. On May 7, 2004, Sprague filed its response to BHE's petition.

On June 11, 2004, BHE filed an Unopposed Motion to Dismiss With Prejudice. Attached to BHE's Motion is a Settlement and Mutual Release Agreement ("Agreement"). The Agreement resolves all claims alleged in BHE's Petition. The Agreement is conditioned upon, among other things, BHE terminating this proceeding by obtaining an Order from the Commission dismissing this proceeding with prejudice.

The Agreement is an integral part of and related to a number of other agreements filed in conjunction with a Stipulation in Docket No. 2004-380, Bangor Hydro-Electric Company Re: request for approval of a special rate agreement between BHE and Lincoln Paper and Tissue, LLC. By Order on this same day, we approved the Stipulation and special rate agreement.

We find that the Agreement is a reasonable resolution to the BHE-Sprague dispute, when taken in conjunction with the other agreements in Docket No. 2004-380. Accordingly, pursuant to Chapter 110, section 745(b) of the Commission's Rules, we approve Bangor Hydro-Electric's voluntary dismissal of its Petition in this Docket.

Dated at Augusta, Maine, this 11th day of June, 2004.

BY ORDER OF THE COMMISSION

Dennis L. Keschl
Administrative Director

COMMISSIONERS VOTING FOR:

Welch
Diamond
Reishus

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within **21 days** of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Appellate Procedure.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.